



**Comparison of 2010 Australian Standing Offer Energy
Prices**

September 2010

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EXECUTIVE SUMMARY

This Report compares natural gas and electricity prices available to small customers across Australian states under a regulated tariff or standing offer contract, as at 1 August 2010. The Report also examines the prices to which customers entitled to receive a relevant concession are exposed and, for Tasmanian customers, the extent to which the recently increased concessions mitigate against price rises. Please note that the comparisons are based on 1 August 2010 prices, ie they do not take into account the proposed price increases in Tasmania from 1 December 2010. A further report will be prepared following completion of the Tasmanian Economic Regulator's 2010 electricity retail price investigation.

The Report has found that from 1 August 2010, for Tasmanian residential customers:

- low consumption electricity customers will pay prices that are in the middle range of residential prices available, while low consumption Tasmanian natural gas customers pay prices that are towards the low end of the range;
- high consumption electricity customers will experience prices that are amongst the lowest in the country, while high consumption natural gas customers will pay in the mid to high range of national prices; and
- electricity customers entitled to receive a concession will experience prices in the low range of those available in Australia.

The Report found that from 1 August 2010, for Tasmanian business customers:

- Tasmanian electricity business customers on regulated tariffs¹ will experience competitive business rates with those available in other states; and
- Tasmanian prices for business customers using natural gas are in the upper band of rates available nationally.

¹ Regulated tariffs apply to non-contestable customers and contestable customers that consume more than 150 MWh and are in the 12-month grace period during which they must enter into a market contract as part of the roll out of retail contestability in Tasmania.

1 INTRODUCTION

This Report provides an overview of the pricing environment in both the electricity and gas retail markets for 2010, as an update to information presented in Chapter 13 of the *Tasmanian Energy Supply Industry Performance Report 2008-09*, December 2009. The Report reflects increases in standing offer prices in Victoria, South Australia, Western Australia, Northern Territory, New South Wales and Queensland, and the regulated electricity tariffs approved by the Regulator from 1 July 2010 for Tasmania.

The electricity section compares prices experienced in Tasmania and mainland states by residential customers as at 1 August 2010², including a comparison taking into account concessions available in each state. The section also compares prices experienced by business customers as at 1 August 2010. A comparison between Tasmanian Aurora Pay As You Go prices and regulated tariffs is available on the Tasmanian Economic Regulator's website in a separate paper.

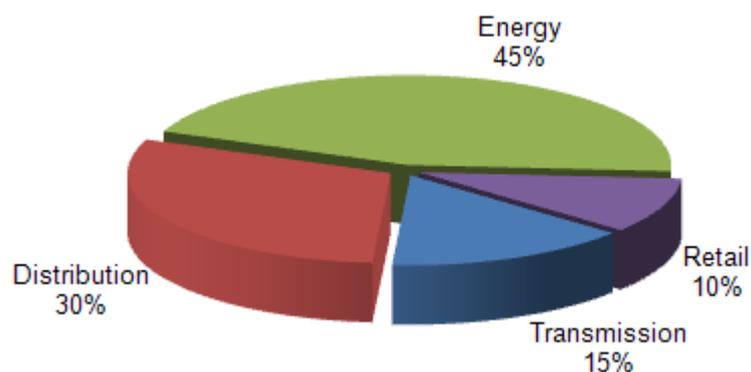
The natural gas section compares prices prevailing in Tasmania and mainland states for both residential and business consumers as at 1 August 2010.

² This date has been chosen for the comparison as South Australia's latest standing offer prices took effect from 1 August 2010. All other states' standing offer prices took effect on 1 January 2010 or 1 July 2010.

2 ELECTRICITY

In June 2010, the Regulator approved retail tariffs for non-contestable customers in accordance with the Regulator's 2007 Price Determination³ for the period from 1 July 2010 until the commencement of the next price determination (expected to be 1 December 2010).

Figure 2.1: Price components of a typical electricity bill



For the average customer on a retail tariff, the breakdown in costs is approximately 45 per cent for the cost of energy (generation), 15 per cent for transmission, 30 per cent for distribution and 10 per cent for retail. These numbers are approximate and differ for each tariff, but give a reasonable indication of the impact that each part of the industry has on a consumer's electricity bill.

The following comparisons use the approved regulated tariffs for Tasmania, Western Australia and the Northern Territory and the approved standing offer prices for the major retailers in New South Wales and the Australian Capital Territory that took effect on 1 July 2010. South Australian standing offer prices, that took effect on 1 August 2010, have been used. Standing offer prices as at 1 January 2010 have been used for major retailers in Victoria.

2.1 Residential

2.1.1 Interstate comparisons

Comparisons of interstate electricity prices require consideration of the factors that characterise each market. The prices in each state reflect local cost structures, the nature of the energy market (in particular the penetration of natural gas), the regulatory environment and differing weights placed on fixed (daily charges) and variable (energy related) charges.

³ OTTER, *Declared electrical services pricing determination*, as amended 10 December 2007.

When comparing prices in Tasmania with those of mainland states, the following factors must be taken into account:

- Mainland states, where thermal generation predominates, have a distinct differential between peak and off-peak energy costs reflecting the fact that those systems are capacity constrained. Hence there are relatively cheaper off-peak retail rates compared to those offered by Aurora. The Tasmanian system is energy constrained (that is, constrained by water storage levels). Thus there is less reason for significant differences between peak and off-peak energy prices.
- Due to the comparatively low off-peak rates in the mainland states, off-peak (with or without any-time boost) is the most economical option in those states for electric water heating. There is comparatively less difference between the Aurora any-time hot water rate and the Aurora off-peak rate.
- Tasmanian average residential consumption is higher than that in other states due to the low penetration of natural gas and the colder weather which results in a higher space heating load. However, Tasmania has a high penetration of wood heaters and comparatively little demand for air conditioning, although this is changing.
- Tariff structures differ between states. Most Tasmanian residential tariffs have a higher fixed (daily) charge and a lower average energy rate. Hence for many Tasmanian residential customers, the average incremental energy rates are lower than the equivalent average incremental energy rates in other states.

About six per cent of Tasmanian standard tariff customers take supply under just the Light and Power tariff (Tariff 31), while around 83 per cent take supply under a combination of Light and Power and Hot Water tariffs (Tariff 41 or Tariff 42). Only about 11 per cent take supply under an Off-Peak tariff (Tariff 61 or Tariff 62) either in addition to, or as a substitute for, the Hot Water tariff. By comparison, water heating in parts of the mainland would usually be either gas or electricity at off-peak rates (available at around 7 to 8 cents per kilowatt hour (kWh) in New South Wales, 9 cents per kWh in Queensland, and 10 to 12 cents per kWh in Victoria) rather than at the standard rate of around 12.5 cents per kWh hot water rate in Tasmania.

It is therefore difficult to draw conclusions from simple direct comparisons between prices in each state. By looking at publicly available tariffs and calculating resulting prices across a range of consumption levels, it is possible to estimate the range of prices (average cents per kWh) that customers could reasonably expect to see in each state.

To demonstrate the varying price per unit paid by low and high consumption customers owing to the mix between fixed and variable charges, the methodology developed by the Regulator presents price curves for a range of commonly used electricity tariff combinations (outlined in the Appendix), plotting average price per unit against consumption.

Importantly, the prices selected are the approved residential standing offer prices for each state. In states where retail markets are fully competitive, customers may have access to cheaper products than those shown. Retail tariffs may include cost allowances for acquiring and retaining customers to ensure that retail competition is not hindered by lower rates than would have been offered in a competitive market.

Average residential consumption levels vary between states. Consumption has been 'normalised' to enable comparison of households with similar consumption. This approach identified the annual average residential electricity use for each state and normalises the range of consumption to between 20 per cent and 300 per cent of average consumption. This allows comparison of 'low' and 'high' consumption customers across states despite the actual consumption of these customers varying considerably (eg a low consumption customer in Tasmania may consume more than a low consumption customer in Western Australia owing to a higher dependence on electricity for necessities such as heating). The variation in average annual residential consumption between states is shown in the Appendix.

Figure 2.2 and Figure 2.3 show the range of prices per unit consumption (cents per kWh) for common residential tariffs available as at 1 August 2010. **Note that the scale begins at 10 cents per kWh in these figures.**

Figure 2.2 normalises consumption on the basis of percentage of State average residential consumption, while Figure 2.3 shows actual annual consumption on a cents per kWh basis.

Figure 2.2: Average residential electricity prices per kWh as at 1 August 2010 – normalised consumption

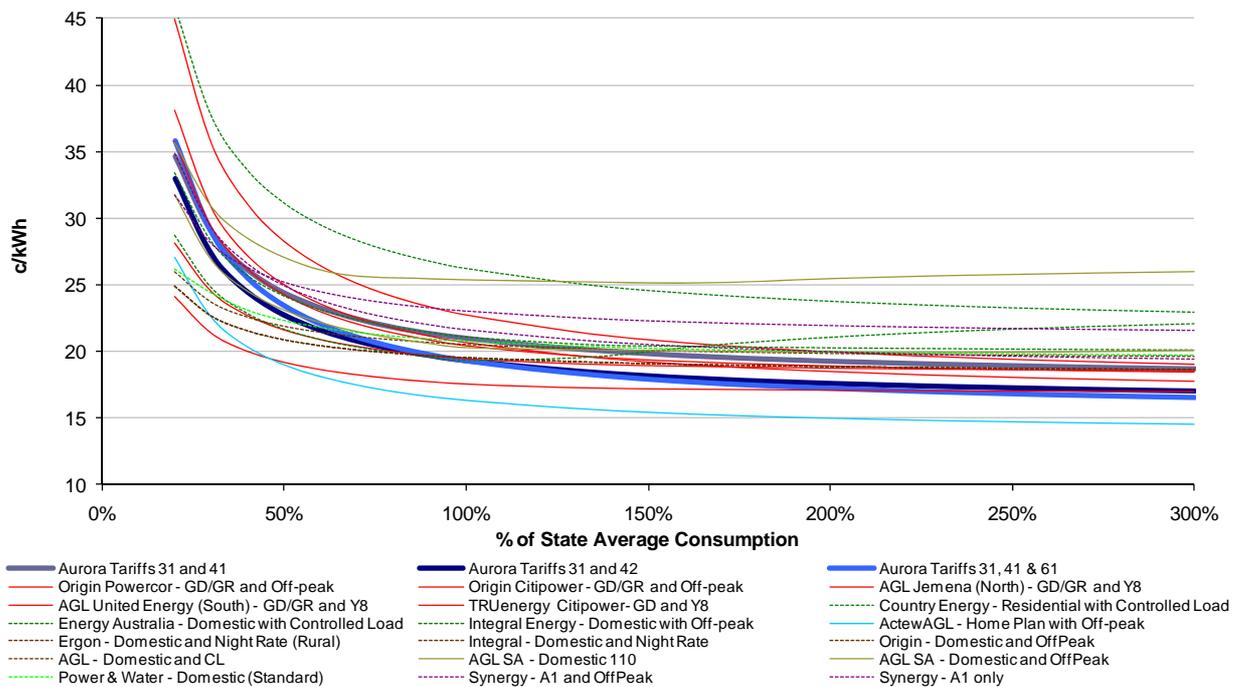


Figure 2.3: Average residential electricity prices per kWh as at 1 August 2010 – actual consumption up to 25 000 kWh per annum

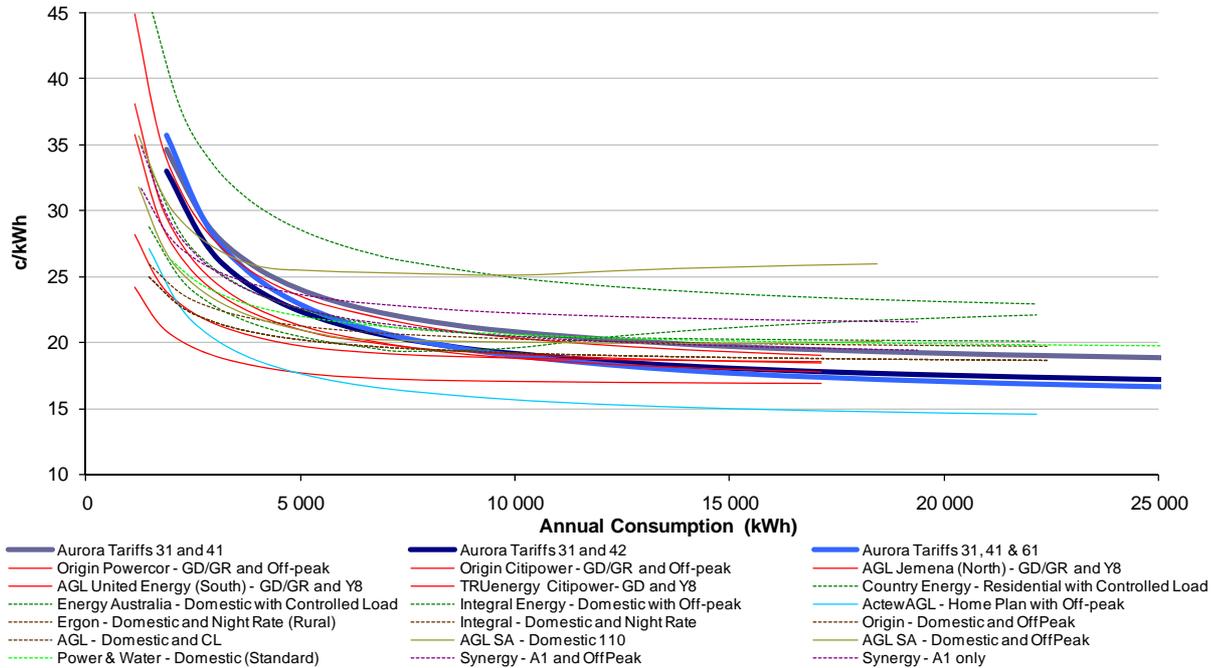


Figure 2.2 and Figure 2.3 illustrate that Tasmanian residential standard tariff customers with low consumption, that is, at around 50 per cent of the Tasmanian State average consumption, face an average cost for their electricity of between 22.7 cents per kWh and 24.4 cents per kWh, which is in the mid range of prices experienced across Australia. By contrast, high consumption customers, at 200 per cent of the Tasmanian State average consumption, experience an average cost of between 17.2 cents per kWh and 19.2 cents per kWh, which is in the low range of prices experienced across Australia.

2.1.1.1 Concessions

There are a range of concession schemes available across states providing for a reduction in electricity charges for pensioners and other concession card holders. As at 1 August 2010, Tasmanian Pensioner Concession Card and Health Care Card holders receive a rebate of 92.55 cents per day for the fixed charge component of Tariff 31. This equates to a concession of \$340 per annum, which is one of the most generous concessions available in Australia. Furthermore, the Tasmanian State Government has announced that it will make a one-off payment of \$100 to eligible concession customers as at 1 September 2010. This effectively raises the concession in Tasmania to \$440 in 2010-11. Eligibility for concessions is generally broader in Tasmania than in other states, with around one in three residential customers receiving the concession. A summary of the concessions available in each state is provided in the Appendix.

Figure 2.4 and Figure 2.5 demonstrate the range of standing offer prices for residential customers across Australia, taking account of any concessions available as at 1 September 2010.

Figure 2.4 normalises consumption on the basis of percentage of State average residential consumption, while Figure 2.5 shows annual consumption on a kWh basis.

Figure 2.4: Average residential concession prices per kWh as at 1 September 2010 – normalised consumption

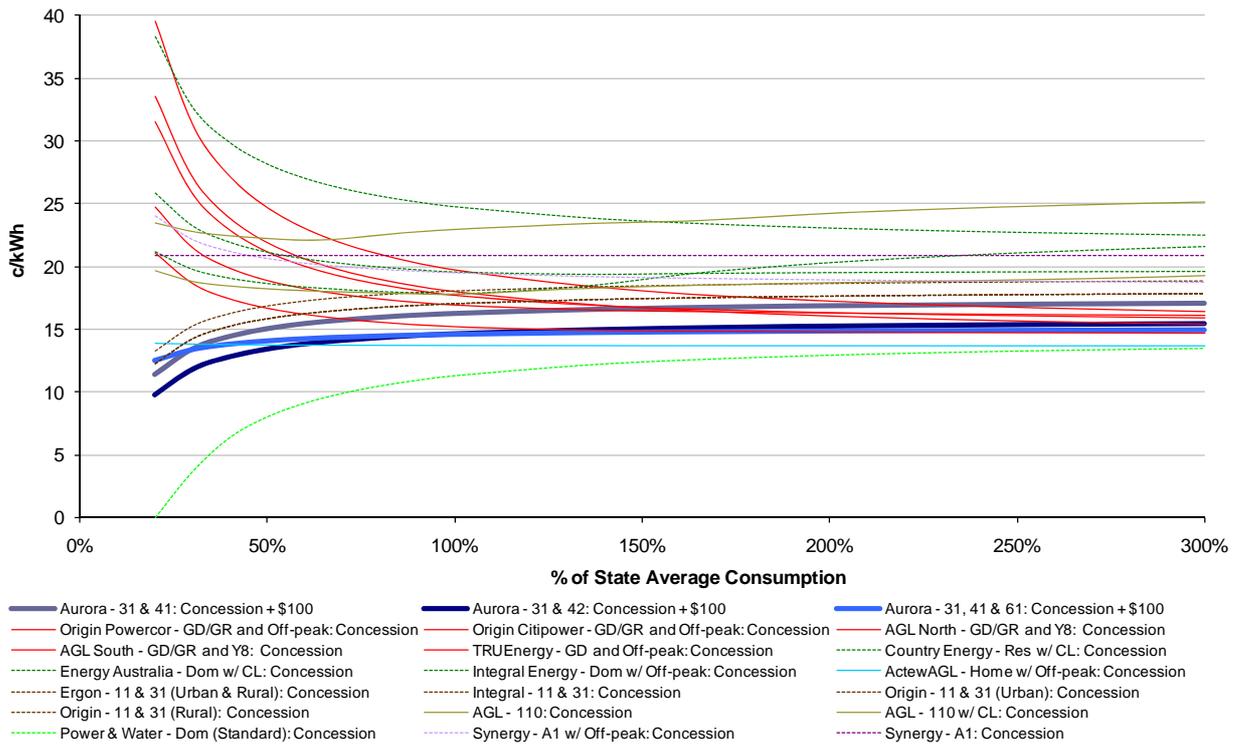


Figure 2.5: Average residential concession prices per kWh as at 1 September 2010 – actual consumption, up to 25 000 kWh per annum

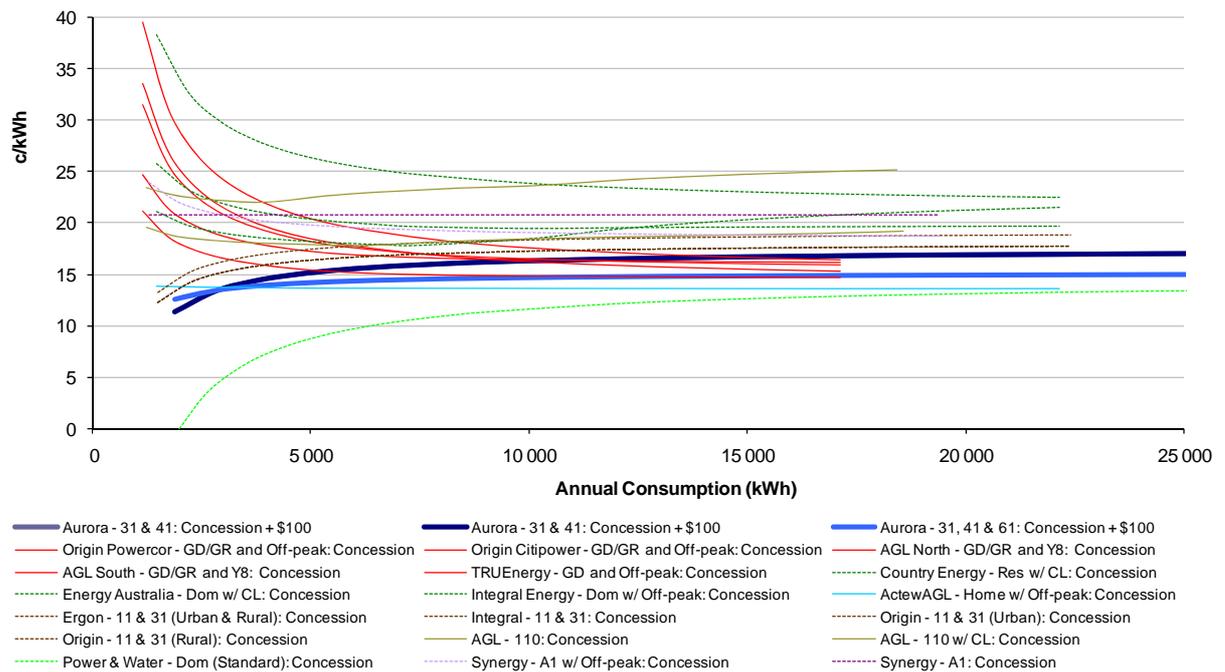


Figure 2.4 and Figure 2.5 illustrate the effect the Tasmanian concession has on reducing the impact of the fixed charge component of Tariff 31 thereby flattening the curve at the low end of consumption and reducing prices. As such, Tasmanian concession customers experience prices that are amongst the lowest across Australia at consumption levels that are 50 to 200 per cent of State average consumption. For Tasmanian concession customers with average annual consumption, the concession (including the one-off payment, applied over the full year) lowers the average price to between 14.6 and 16.3 cents per kWh.

2.2 Business

2.2.1 Interstate comparisons

It is difficult to compare prices for business customers because of the different stages of contestability (and hence access to price information) between states. All business customers are now contestable in New South Wales, Victoria, South Australia and the Australian Capital Territory but have safety net tariffs and/or other arrangements in place. Queensland has adopted full retail contestability with some safety net tariffs remaining in place. Victoria has recently removed all price caps on retail electricity prices, although retailers are obliged to have standing offers.

Contestable customers may take supply under individual contracts with retailers rather than under published tariffs. There is no public disclosure of current contract prices. The ESAA has ceased to provide estimates of contestable prices due to the difficulty in obtaining contract prices. The following analysis has been undertaken using publicly available tariffs. However as noted, these may not represent the prices actually available under contracts.

The price curves developed for small business customers follow a similar methodology to that used for residential customers, with the following exceptions:

- consumption was not normalised across states, as there is less variability in the 'typical' business consumption between states, being more a result of the nature of commercial activity rather than local factors; and
- a consumption range was chosen that represents Tasmanian small business customers⁴, 1 MWh per annum to 150 MWh per annum.

Figure 2.6 and Figure 2.7 show the range of prices per unit consumption (cents per kWh) for common business tariffs available as at 1 August 2010. **Note that the scale begins at 10 cents per kWh in these figures.**

⁴ Regulated tariffs were also available in 2009-10 to customers that consumed between 150 MWh and 750 MWh per year (tranche 4 customers) that had yet to enter into a market contract as part of the roll out of retail contestability in Tasmania. However, this grace period concluded on 30 June 2010. From that date tranche 4 customers that had not entered into a market contract, and continued to take supply were subject to a deemed fall back contract arrangement.

Figure 2.7 focuses on customers at the low end of consumption to highlight the price curve and the impact of the fixed charge component of the tariffs. At higher consumption levels, the price per unit converges with the marginal energy rate.

Figure 2.6: Average business electricity prices per kWh as at 1 August 2010

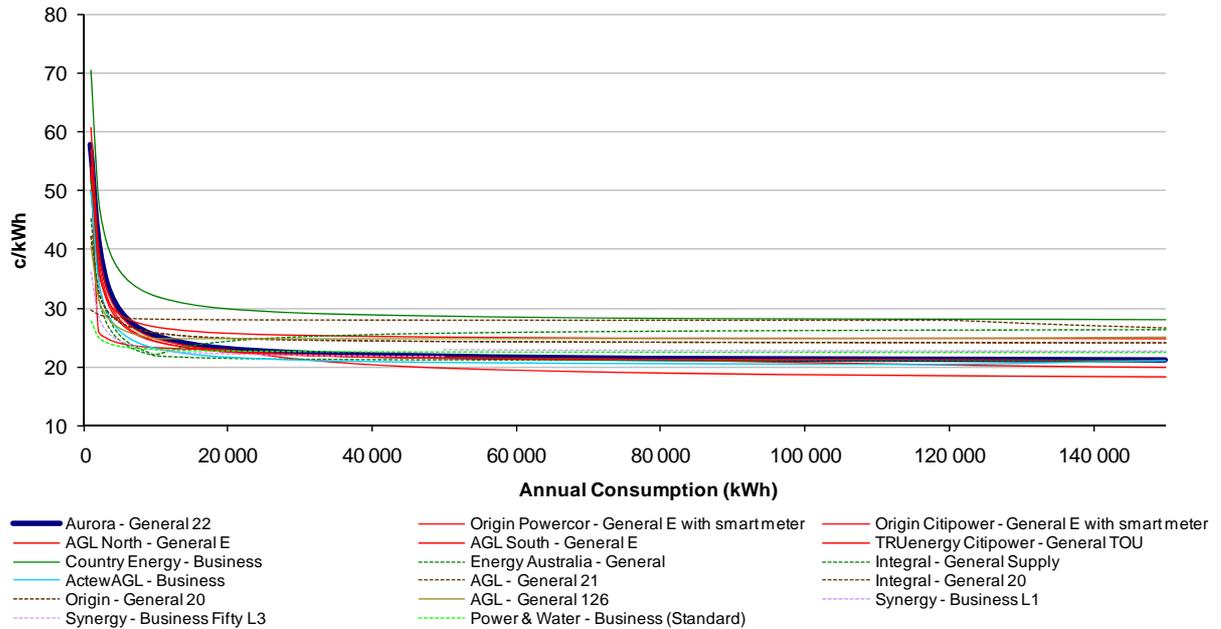


Figure 2.7: Average business electricity prices per kWh as at 1 August 2010 – consumption up to 40 MWh per annum

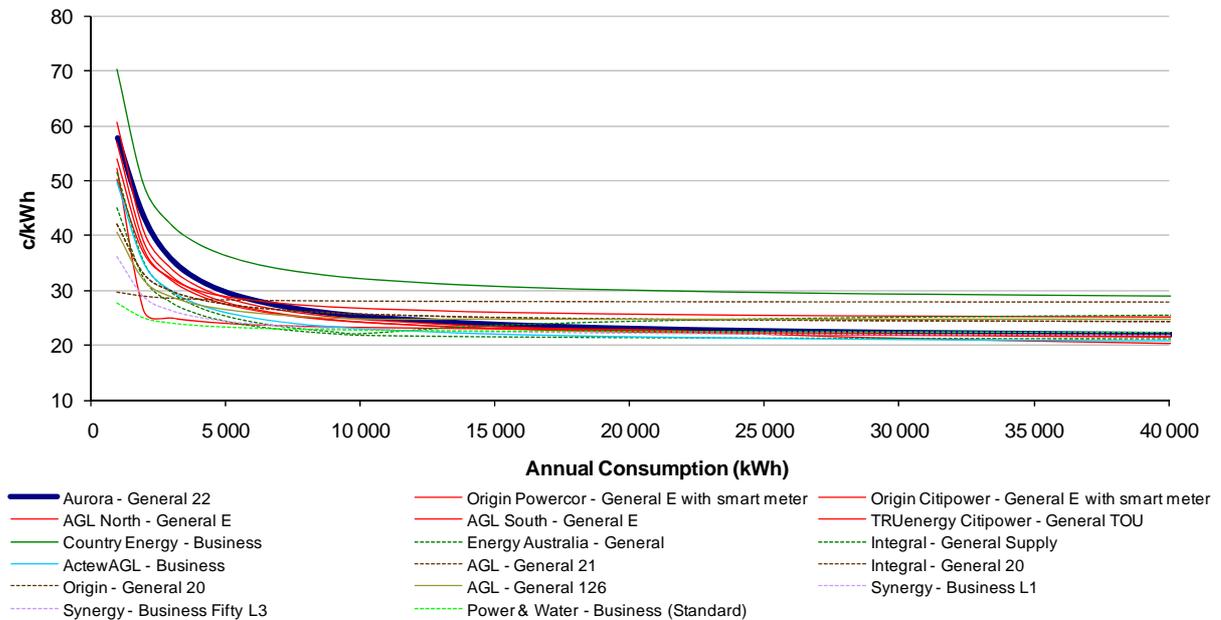


Figure 2.6 and Figure 2.7 illustrate that Tasmanian business customers consuming up to 5 MWh per annum (approximately \$370 per quarter) experience rates of around 29.7 cents per kWh. However, very few customers would have this low level of consumption. Business customers that consume between 20 MWh per annum (approximately \$1 150 per quarter) and 40 MWh per annum (approximately

\$2 195 per quarter) are subject to prices between 21.9 cents per kWh and 23.1 cents per kWh.

Figure 2.8 and Figure 2.9 show comparative price curves for business tariffs available in Tasmania by showing the range of prices per consumption unit (cents per kWh) of Aurora's Tariff 22 (business general supply) compared to Tariff 82 (industrial low-voltage demand) at various load factors.

The load factor is the ratio of average demand to peak demand, calculated as:

$$\frac{\text{energy (kWh)}}{\text{peak load (kW) x period (hours)}}$$

A low load factor means that there is an occasionally high demand set. To service that peak, capacity sits idle for long periods of time and thus imposes higher costs. A high load factor indicates that power usage is constant, resulting in lower costs.

Figure 2.8 shows consumption up to 50 MWh per annum to accentuate the price curve at low consumption levels. Figure 2.9 shows the price curves for consumption up to 4.5 GWh per annum.

Figure 2.8: Comparison of Tasmanian business tariff offerings, consumption up to 50 MWh per annum, as at 1 August 2010

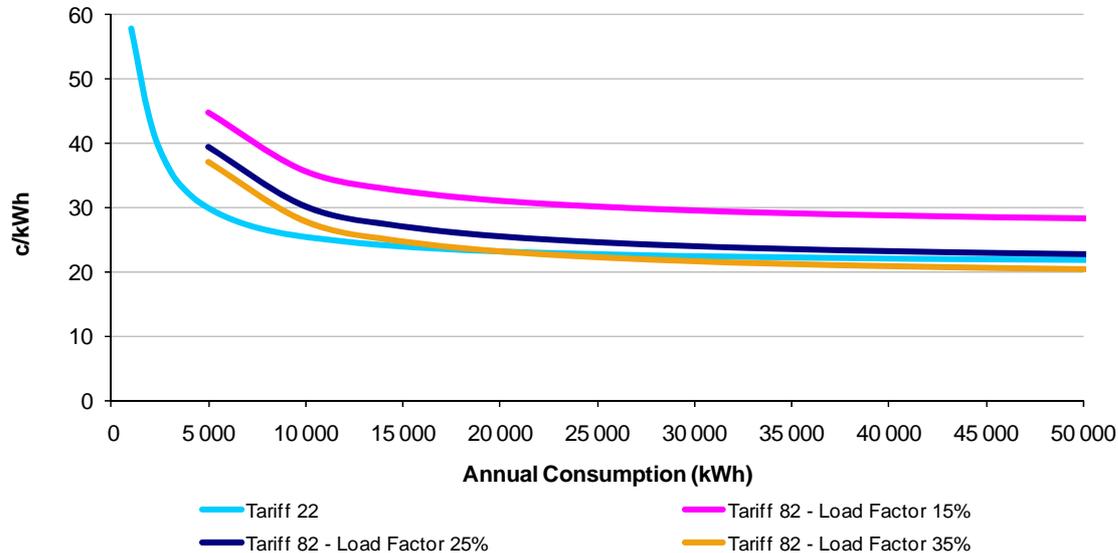


Figure 2.8 illustrates that for consumption less than 20 MWh per annum, Tasmanian business customers experience a lower cost per consumption unit on Tariff 22 than on Tariff 82 at load factors ranging from 15 to 35 per cent. For consumption over 20 MWh per annum, the price per unit of consumption for Tariff 22 is lower than Tariff 82 at a load factor of 35 per cent.

Figure 2.9: Comparison of Tasmanian business tariff offerings, consumption up to 0.45 GWh per annum, as at 1 August 2010

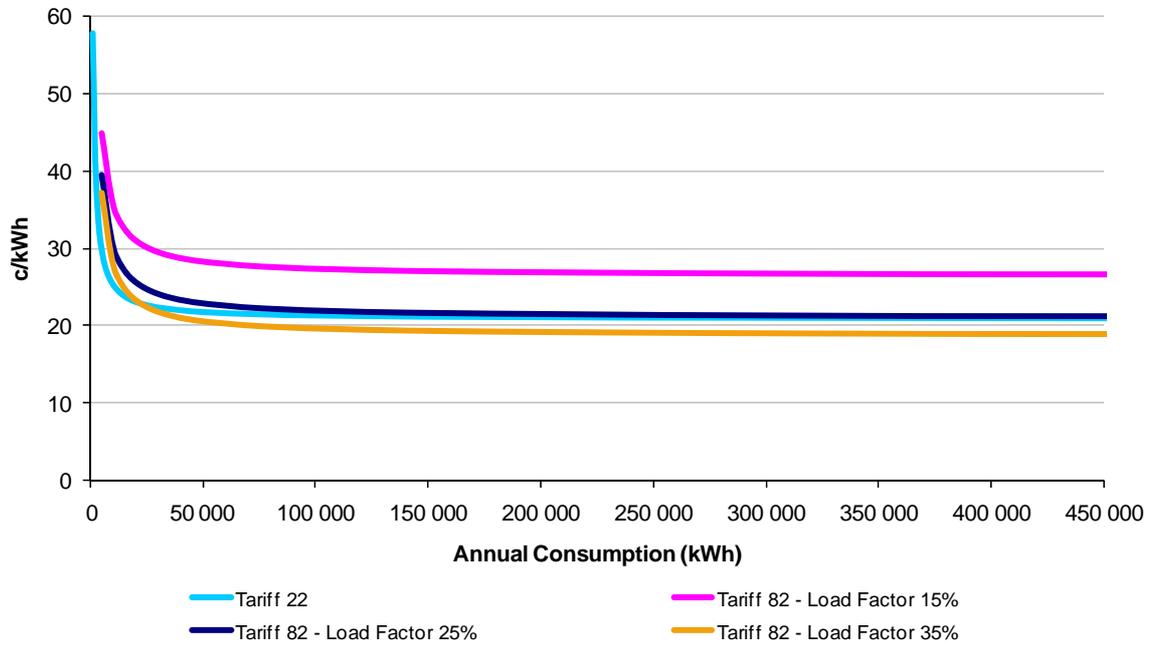
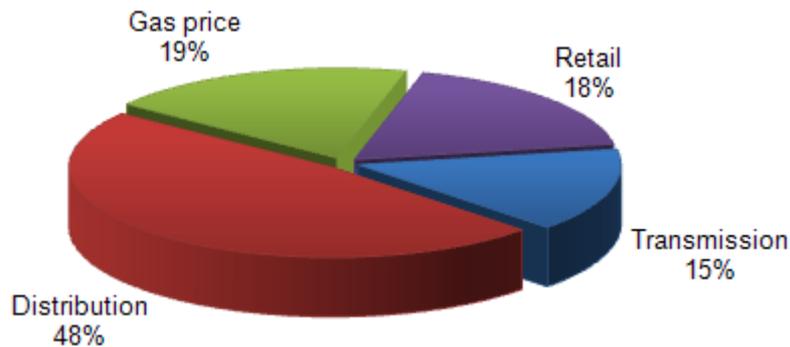


Figure 2.9 shows that businesses on Tariff 82 with load factors of 15 and 25 per cent experience lower prices than those on Tariff 22 for consumption over 60 MWh per annum.

3 NATURAL GAS

For the average customer on a reticulated natural gas retail tariff, the breakdown of costs is approximately 19 per cent for the cost of the energy (gas price), 15 per cent for transmission, 48 per cent for distribution and 18 per cent for retail. These numbers are approximate and differ for each tariff, but give a reasonable indication of the impact that each part of the industry has on the customer's final bill.

Figure 3.1: Price components of a typical natural gas bill



The net retail margin for Tasmanian natural gas retailers will be less than 18 per cent, as the gross margin includes the 'cost to serve' component incurred by the retailer. The Tasmanian net retail margin appears similar to the net retail margin in Victoria.

The following comparisons are undertaken using tariffs available as at 4 August 2010. The tariff combinations used in the comparisons are outlined in the Appendix.

3.1 Residential

3.1.1 Interstate comparisons

Meaningful comparisons between interstate prices require consideration of the many factors that characterise each market. The prices in each state reflect local cost structures, the balance between natural gas and electricity usage, and the differing weights placed on fixed (daily charges) and variable (consumption related) charges.

Key variations that impact on comparisons of Tasmanian and mainland prices include:

- Most mainland companies offer peak and off-peak consumption rates reflecting the fact that those systems are capacity restrained. The two gas retailers operating in Tasmania currently do not have peak and off-peak pricing policies.
- The Tasmanian gas industry is still in its infancy and currently has a small customer base relative to the gas industry in mainland states.

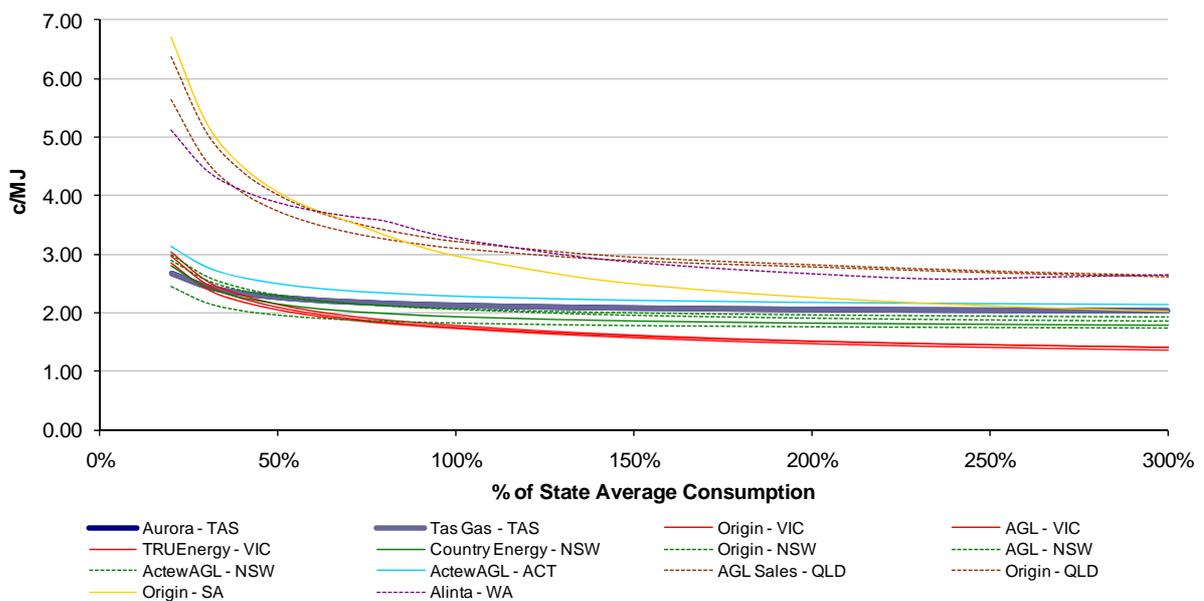
- There are large variations from state to state in consumption levels. This is a result of many factors including climate and the balance between electricity and natural gas usage.

Currently the Tasmanian market for natural gas is small, though popularity is growing, with the roll out of infrastructure across the State substantially completed in 2007-08.⁵ Since 2005-06, the number of natural gas customers in Tasmania has increased dramatically, with around 7 000 customers as at 1 July 2010. Amongst this small customer base, residential customers' average consumption levels are anticipated to be around 40 GJ per annum. This level of consumption is in the mid-range of most mainland states, greater than South Australia and Western Australia and considerably less than New South Wales and the Australian Capital Territory (ACT), which both have higher natural gas usage due to climate conditions and the balance between electricity and gas usage. As with electricity, there are variations in average residential natural gas consumption levels between states. This is highlighted in Chapter 10 of the *Tasmanian Energy Supply Industry Performance Report 2008-09*.

A similar approach to that used for the electricity price curves has been used for gas comparisons between states. Under this approach, consumption has been normalised to allow comparisons between similar households.

Figure 3.2 and Figure 3.3 show the range of prices per unit consumption (cents per megajoule)⁶ for common residential tariffs available as at 1 July 2010. Figure 3.2 normalises consumption on the basis of percentage of State average residential consumption, while Figure 3.3 shows annual consumption on a per MJ basis.

Figure 3.2: Average residential natural gas prices per MJ as at 4 August 2010 – normalised consumption



⁵ Small sections of the distribution network are still being rolled out

⁶ 3.6 megajoules (MJ) is equivalent to 1 kWh

Figure 3.3: Average residential natural gas prices per MJ as at 4 August 2010 – actual consumption

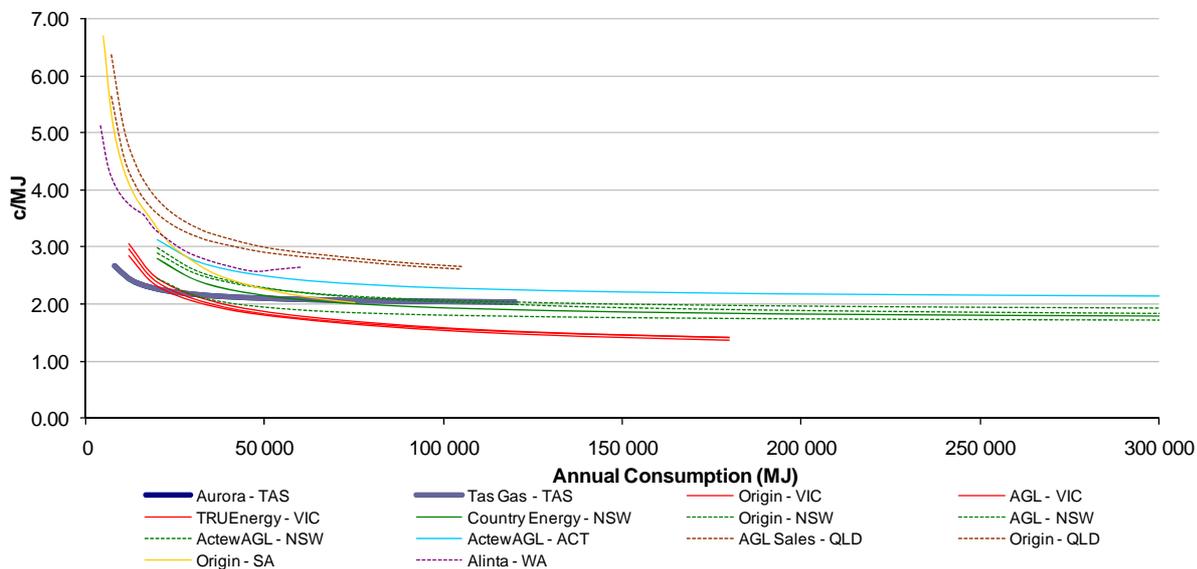


Figure 3.2 and Figure 3.3 both show that low consumption customers in Tasmania, at around 50 per cent of State average consumption, will pay around 2.3 cents per MJ. High consumption customers, at 200 per cent of State average consumption, will pay around 2.1 cents per MJ. However, in making this comparison, the following assumptions have been made:

- the tariffs chosen are representative of what consumers pay, and do not take into account any discounts or special deals that may be obtainable (particularly dual fuel deals);
- the majority of customers consume close to the typical consumption level; and
- the split between peak and off-peak consumption has been accurately estimated. (It is important to note that electricity peak and off-peak varies by time of day, whilst for natural gas, peak and off-peak is based on time of year.)

With these assumptions in mind, it is still apparent that Tasmania is paying in the low to mid range of natural gas prices across Australia. Victoria is the only state to offer lower prices per MJ of natural gas consumed, while Queensland, Western Australian and South Australian customers all pay higher prices for natural gas under this model.

Business

3.1.2 Interstate comparisons

It is difficult to obtain comparative prices for business customers because of the differing competition arrangements (and hence access to price information) between states. All customers are now contestable in Victoria, New South Wales, South Australia, Western Australia, the ACT and Queensland (as of 1 July 2007). Victoria has recently removed all price caps on retail gas prices, though retailers are obliged to have standing offers in place. Natural gas retailing in Tasmania has been fully contestable from its inception.

The price curves developed for small business customers use a similar methodology to that used for residential customers, with the exception that consumption was not normalised across states as there is less variability in the ‘typical’ business consumption between states, being more a result of the nature of the commercial activity than local factors.

Figure 3.4 and Figure 3.5 show the range of prices per unit consumption (cents per MJ) for common business tariffs available as at 4 August 2010.

Figure 3.5 concentrates on the low end of consumption to highlight the price curve and the impact of the fixed charge component of the tariffs. At higher consumption levels, the price per unit converges with the marginal energy rate.

Figure 3.4: Average business natural gas prices per MJ as at 4 August 2010

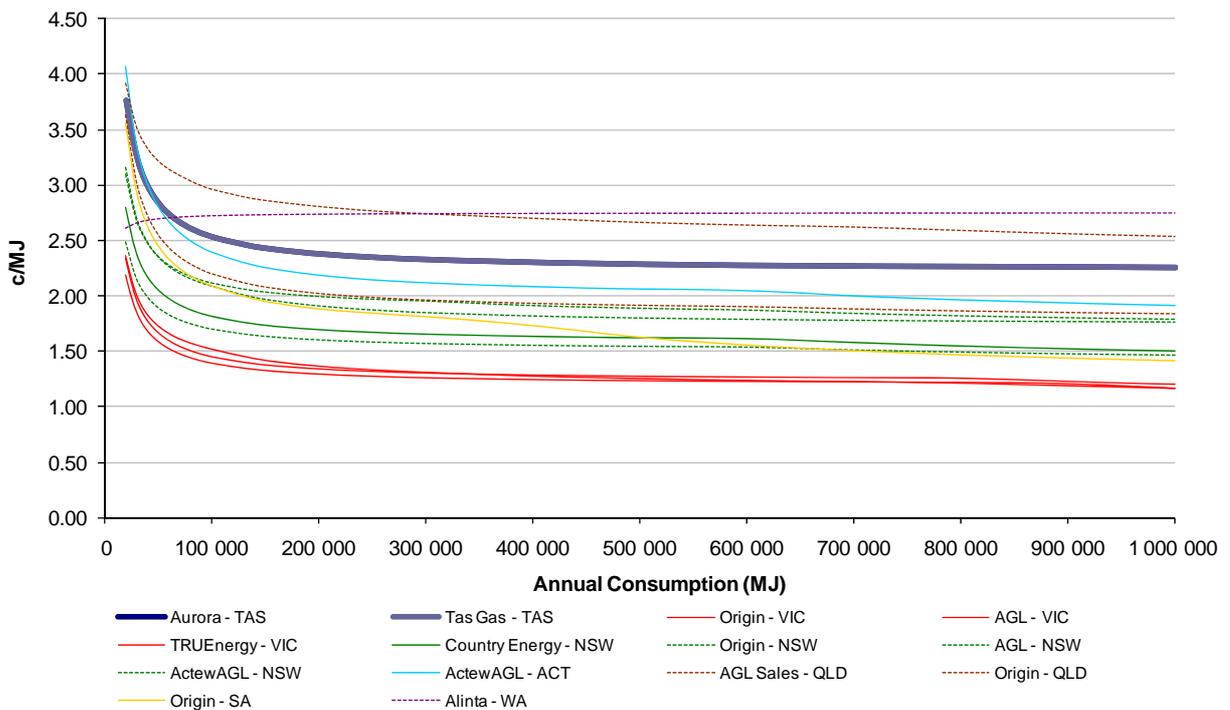


Figure 3.5: Average business natural gas prices per MJ as at 4 August 2010 - consumption up to 200 000 MJ per annum

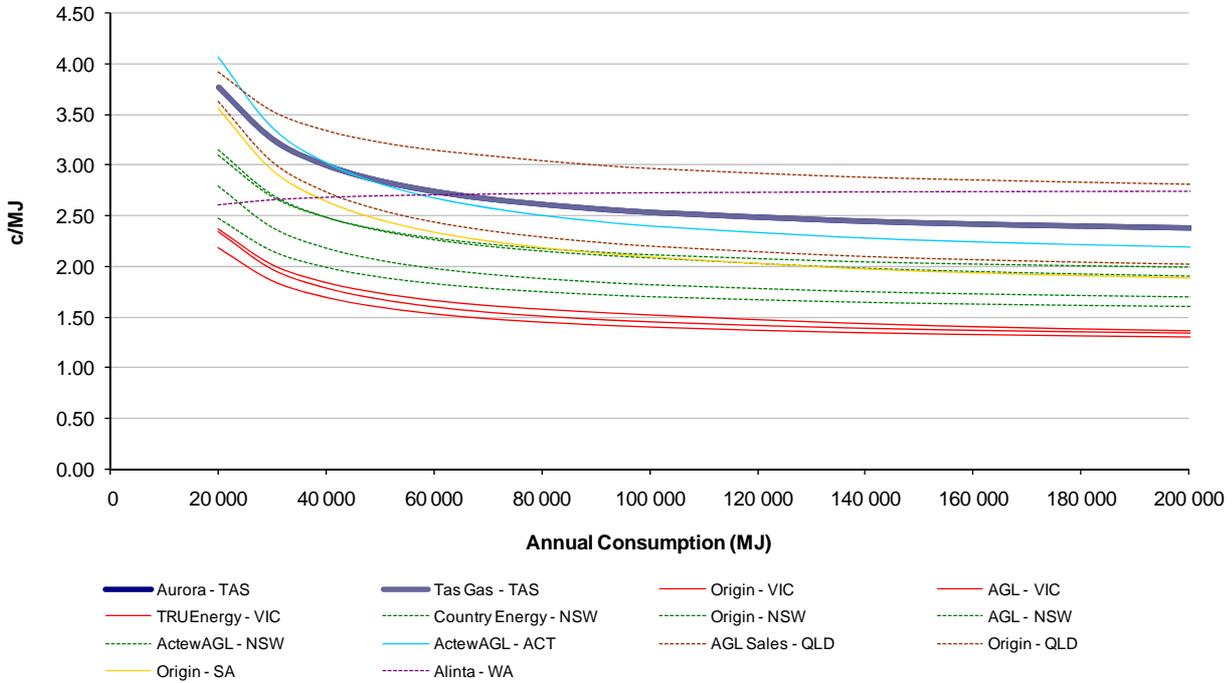


Figure 3.4 and Figure 3.5 show that for low consumption Tasmanian natural gas business customers (around 50 000 MJ per annum), prices are about 2.8 cents per MJ. High consumption customers, using around 200 GJ per annum, experience rates around 2.4 cents per MJ. Overall, Tasmanian prices appear to be in the upper band of natural gas business rates available in Australia.

4 APPENDIX

4.1 Electricity

4.1.1 Electricity residential price comparison – data

For each state, residential tariffs were obtained from a selection of the standing offers of major retailers as listed in Table 1. Where there were a number of alternative tariffs available, the cheapest or most commonly used was chosen as being most representative for customers in that state.

Table 1: Available residential tariffs

State	Retailer	Tariffs used	
Tasmania	Aurora	31 Light and Power 41 Hot Water 42 HydroHeat 61 OffPeak	
Victoria	Origin Energy	GD/GR (standard) Y8 (off-peak)	
	AGL	GD/GR (standard) Y8 (off-peak)	
	TRUenergy	GD/GR (standard) Y8 (off-peak)	
New South Wales	Country Energy	Residential Controlled load 1	
	Energy Australia	Domestic Controlled load	
	Integral	Domestic Off-peak 1	
ACT	ACTEWAGL	Home Plan	
Queensland	AGL	Domestic Controlled supply	
	Ergon	11 Urban 11 Rural 31 Urban (hot water) 31 Rural (hot water)	
		Integral	11 Urban 31 Urban (hot water)
		Origin	11 Urban 11 Rural 31 Urban (hot water) 31 Rural (hot water)

State	Retailer	Tariffs used
South Australia	AGL	110 Light/Power 116 Off-peak controlled load
Western Australia	Synergy/Horizon	A1 (standard) B1 (hot water)
Northern Territory	NT Power & Water	Domestic (standard)

Typical consumption levels for each state, as shown in Table 2, were obtained from the Energy Supply Association Australia (ESAA).⁷ Tariff combinations, including consumption ratios, were obtained from a variety of sources as shown.

Three tariff combinations were chosen for Tasmania. These combinations account for approximately 90 per cent of residential customers in Tasmania.

In its *2006-07 Energy Retail Performance – Consumer Snapshot*, issued in January 2008, the Essential Services Commission (ESC) observed that a typical Victorian customer on a standing offer will be on the GD/GR+Y8 tariff combination. This tariff combination is only available to installations with a controlled load meter using a time-switch associated with the dedicated circuit.

For New South Wales, three typical tariff combinations were drawn from an IPART fact sheet on electricity price increases.⁸

For the Australian Capital Territory, the tariff combination was drawn from an ActewAGL pricing strategy statement submitted to the Independent Competition and Regulatory Commission (ICRC).⁹

Queensland tariff combinations were drawn from the Integral Energy price fact sheet.¹⁰

In South Australia, advice was received from the Essential Services Commission of South Australia (ESCOSA) as to the typical tariff combinations and consumption split.

In Western Australia and the Northern Territory no off-peak or similar alternative tariff is available.

⁷ ESAA, *Energy Gas Australia 2010*, 2010

⁸ IPART *Fact Sheet – Draft Report - Regulated electricity retail tariffs for 1 July 2010 to 30 June 2013*, December 2009

⁹ ActewAGL, *Pricing Strategy Statement 2004/05 – 2008/09*, May 2004

¹⁰ Integral Energy Price Fact Sheet, July 2010

Table 2: Typical consumption levels and tariff consumption split

State	Typical consumption kWh pa	Tariff consumption split	Source (consumption split)
Tasmania	9 480	Tariff 31 & 41 – 60:40 Tariff 31 & 42 – 40:60 Tariff 31, 41 & 61 – 40:30:30	Office of the Tasmanian Energy Regulator – Typical Electricity Customers Information Paper 2010
Victoria	5 880	Standard & Off-Peak – 62:38	ESC 2006-07 Energy Retail Performance – Consumer Snapshot
New South Wales	7 480	Standard & Controlled Load/Off-Peak – 80:20	IPART Fact Sheet – Electricity prices to increase for residential and small businesses
ACT	7 480	Standard & Off-Peak – 60:40	ICRC and ACTEWAGL Pricing Strategy Statement
Queensland	7 520	Tariff 11 & 31 – 75:25	Integral Energy Price Fact Sheet – Typical Customers
South Australia	6 180	Standard – 100 Standard & Off-Peak – 65:35	ESCOSA
Western Australia	6 160	Standard – 100 (no Off-Peak)	N/A
Northern Territory	8 930	Standard – 100 (no Off-Peak)	N/A

Price curves illustrating concession prices include the concessions outlined in Table 3.

Table 3: Summary of concessions available by state

State	Concession available
Tasmania	92.55 cents per day, all year round \$100 one-off payment in September 2010
Victoria	17.5 per cent off winter quarter bills (issued between May and November) 13 per cent off off-peak tariff consumption charges (available all year)
New South Wales	\$112 per annum
ACT	Summer rebate of 25.15 cents per day (Nov – May). Winter rebate of 92.2 cents per day (June – Oct) up to a maximum of \$194.87 per annum
Queensland	52 cents per day, maximum of \$190 per annum
South Australia	\$150 per annum
Western Australia	Rebate on supply charge of 38.23 cents per day
Northern Territory	\$1.179 per day off the fixed charge, 4.7 c/kWh off consumption charges, all year round

4.1.2 Electricity business price comparison – data

For each state, general business tariffs were obtained from a selection of major retailers as listed in Table 4. Where there were a number of alternative tariffs, the cheapest or most commonly used was chosen as being most representative for customers in that state.

Table 4: Business tariffs

State	Retailer	Tariffs used
Tasmania	Aurora	22 General
Victoria	Origin	General E with smart meter
	AGL	General E
	TRUenergy	General TOU
NSW	Country Energy	Business
	Energy Australia	General Low Voltage
	Integral	General Supply
ACT	ActewAGL	Business
Queensland	AGL	General 21
	Ergon	General 20
	Integral	General 20
	Origin	General 20
South Australia	AGL	General 126
Western Australia	Synergy/Horizon	Business L1
		Business fifty L3
Northern Territory	Power and Water	Commercial

Use of a standard typical business customer across all states and territories in making comparisons reflects that businesses will generally have similar consumption patterns and usage regardless of their location. This, therefore, gives an accurate comparison of differences in price range for each state and territory across a range of consumption levels.

4.2 Gas

4.2.1 Natural gas residential price comparison – data

For each state, residential tariffs were obtained from a selection of the major retailers as listed in Table 5. Where there were a number of alternative tariffs available, the cheapest or most commonly used was chosen as being most representative for customers in that state.

Table 5: Residential tariffs

State	Retailer	Tariffs used
Tasmania	Aurora	
	Tas Gas Retail	
Victoria	AGL	AGL South AGL North Origin Metro
	Origin Energy	Origin North Origin Metro AGL North AGL South TRUenergy East
	TRUenergy	TRUenergy Central TRUenergy East Origin Metro AGL South
South Australia	Origin Energy	Metropolitan Adelaide Mount Gambier Port Pirie Riverland Whyalla
	AGL	Residential
New South Wales	AGL	Residential
	Country Energy	Wagga Wagga and Uranquinty Tumut and Gundagai Henty, Culcairn, Hollbrook and Walla Walla Temora Cooma and Bombala
	Origin Energy	Albury, Jindera and Moama Murray Valley Towns
	ActewAGL	Capital Queanbeyan Shoalhaven

State	Retailer	Tariffs used
Queensland	AGL Sales (Queensland)	South East Queensland Brisbane North and Ipswich
	Origin Energy	Brisbane North and Ipswich Northern South East Queensland
ACT	ActewAGL	Residential
Western Australia	Alinta	Metro Albany Kalgoorlie
Northern Territory	No information available	No information available

For tariffs with a combination of peak and off-peak usage, 65 per cent of usage was deemed peak usage whilst the remaining 35 per cent was regarded as off-peak.

Typical consumption levels were then either obtained or estimated as indicated in Table 6.

Table 6: Typical consumption levels

State	Typical consumption levels (GJ pa)	Source
Tasmania	40 GJ	Tas Gas
Victoria	60 GJ	ESAA
South Australia	25 GJ	ESCOSA
New South Wales	100 GJ	ESAA
Queensland	35 GJ	ESAA
ACT	100 GJ	ESAA
Western Australia	20 GJ	ESAA
Northern Territory	N/A	Information unavailable

4.2.2 Natural gas business price comparison – data

For each state, general business tariffs were obtained from a selection of major retailers as listed in Table 7. Where there were a number of alternative tariffs the most commonly used was chosen as being most representative for customers in that state.

Table 7: Business tariffs

State	Retailer	Tariffs used
Tasmania	Aurora	
	Tas Gas	
Victoria	AGL	AGL South AGL North Origin Metro
	Origin Energy	Origin North Origin Metro AGL North AGL South TRUenergy East
	TRUenergy	TRUenergy Central TRUenergy East Origin Metro AGL South
South Australia	AGL	Metro Mount Gambier Port Pirie Riverland and Murray Bridge Whyalla
	Origin	Metropolitan Adelaide Mount Gambier Port Pirie Riverland Whyalla
New South Wales	ActewAGL	Queanbeyan Capital Shoalhaven
	AGL	
	Country Energy	Wagga Wagga and Uranquinty Tumut and Gundagai Henty, Culcairn, Hollbrook and Walla Walla Cooma and Bombala
	Origin Energy	Albury, Jindera and Moama Murray Valley

State	Retailer	Tariffs used
Queensland	AGL Sales (Queensland)	South East Queensland Brisbane North and Ipswich
	Origin Energy	Brisbane North and Ipswich Northern South East Queensland
ACT	ActewAGL	
Western Australia	Alinta	Metro Albany Kalgoorlie
Northern Territory	No information available	No information available

The use of a standard typical business customer across all states and territories for price comparisons reflects that businesses will generally have similar consumption patterns and usage regardless of their location. This therefore gives an accurate comparison of differences in price range for each state and territory across a range of consumption levels.